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# Appraisal Subcommittee

*Federal Financial Institutions Examination Council*

June 5, 2006

Mr. Albert Jurczynski  
Deputy Secretary of State  
Department of State  
84 Holland Avenue  
Albany, NY 12208-3490

Dear Mr. Jurczynski:

Thank you for your April 5, 2006 letter responding to our December 14, 2005 field review letter. In your letter, you described the New York Department of State's ("Department") efforts to address our concerns concerning the Department's failure to investigate and resolve complaints in a timely manner and the high continuing education audit failure rate. Because we learned on March 15, 2006, that you failed to receive our field review letter, we extended your time to respond to our field review letter until April 10, 2006.

Consistent with our field review letter findings, you stated in your April 5<sup>th</sup> letter that the Department will provide to us on a quarterly basis complaint logs and reports on the continuing education audits. In addition, you enclosed with your letter a copy of the Department's fall 2005 newsletter in which you published the names of persons failing the continuing education audits. You stated that another newsletter including the names of additional noncompliant appraisers will be published this month, and that you will forward a copy to us. You, however, did not include with your letter the results of your continuing education audit covering the first quarter of this year. We subsequently obtained that report from your auditor, Jodi DeLollo.

As required in our December 14<sup>th</sup> letter, please provide us copies of the complaint log, updated continuing education audit report, and your next newsletter. Those copies need to be sent to us by July 15, 2006. After we receive that information, we will evaluate whether New York's remedial actions have been adequate to support the continued acceptance of the affidavit process.

Ms. Vicki Ledbetter of my staff will be making a priority contact visit with you on August 29, 2006. At that time, she will discuss the results of our evaluation of your affidavit process. If we determine your actions have not remedied the situation, New York may have to complete audits on all certified appraisers who renewed their credentials from September 2004 onward. Additionally, we might determine that New York will need to abandon the affidavit process entirely. She also will discuss the status of your efforts to reduce your complaint backlog and to ensure the timely processing of newly received complaints.

Please contact us if you have any questions.

Sincerely,

Ben Henson  
Executive Director

cc: D. Rex Bryce  
Chair, Board of Real Estate Appraisers